

## Franklin County

### Estimated Economic Impact of Agriculture, Food, and Food Processing Sectors

6/26/2017

Using the most recent IMPLAN data available (2015) adjusted for 2017, 17 agriculture, food, and food processing sectors were analyzed to determine their overall contribution to the Franklin County economy.<sup>1</sup>

These 17 sectors have a total direct output of approximately **\$252.1 million** and support **1,409.1 jobs** in Franklin County. Running the model for all 17 sectors simultaneously produces the following results:

Agriculture, Food, and Food Processing Sector Contribution to Overall Franklin County Economy						
Impact Type <sup>2</sup>	Employment	% Employment	Total Value Added <sup>3</sup>	Total Value Added % of Gross Regional Product <sup>4</sup>	Output <sup>5</sup>	Output % of Gross Regional Product
<b>Direct Effect</b>	1,409.1	10.52%	\$72,698,413	9.29%	\$252,104,842	32.20%
<b>Indirect Effect</b>	186.2	1.39%	\$12,716,250	1.62%	\$24,160,532	3.09%
<b>Induced Effect</b>	161.9	1.21%	\$9,417,278	1.20%	\$16,772,819	2.14%
<b>Total Effect</b>	1,757.2	13.12%	\$94,831,941	12.11%	\$293,038,193	37.43%

As shown in the above table, agriculture, food, and food processing sectors support **1,757.2 jobs**, or **13.12%** of the entire workforce in the county. These sectors provide a total economic contribution of approximately **\$293.0 million, roughly 37.43% of the economy.**

Another metric used to calculate the importance of sectors in an economy is their value added as a percentage of GRP. Total value added by the 17 agriculture, food, and food processing sectors is approximately **\$94.8 million**, or **12.11% of the GRP**. This indicates that personal income, business income, and taxes generated by these sectors account for **12.11% of the total economy.**

The following tables document the overall summary numbers of the model, top industries affected by employment and output, and a listing of all industries that were analyzed.

<sup>1</sup> Article on building a contribution analysis in IMPLAN that avoids double counting:

[http://www.implan.com/index.php?option=com\\_content&view=article&id=660%3A660&catid=253%3AKB33&Itemid=70](http://www.implan.com/index.php?option=com_content&view=article&id=660%3A660&catid=253%3AKB33&Itemid=70)

<sup>2</sup> Direct, indirect, and induced effects sum together to estimate the total economic contribution in the state. **Direct effects** capture the contribution from agricultural and food products. **Indirect effects** capture the economic benefit from farms and agricultural businesses purchasing inputs from supporting industries within the state. **Induced effects** capture the benefits created when employees of farms, agricultural businesses, and the supporting industries spend their wages on goods and services within the state.

<sup>3</sup> Value added = labor income + indirect business taxes + other property type income.

<sup>4</sup> GRP = final demand of households + governments expenditures + capital + exports - imports - institutional sales.

<sup>5</sup> Output = intermediate inputs + value added.

In the top ten agriculture, food, and food processing sectors by employment, the beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming sector is the top employer with **650.4 employees**. This table also shows the amount of jobs that are created by the agriculture industry in Franklin County.

Top Ten Agriculture, Food, and Food Processing Sectors by Employment		
Sector	Total Employment	Total Output
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	650.4	\$50,143,137
Farm machinery and equipment manufacturing	169.6	\$96,937,483
All other crop farming	145.5	\$7,279,677
Dairy cattle and milk production	140.6	\$50,149,828
Landscape and horticultural services	136.1	\$5,349,527
Grain farming	55.6	\$13,573,522
Wholesale trade	37.8	\$8,314,146
Veterinary services	31.8	\$3,190,549
Animal production, except cattle and poultry and eggs	29.2	\$2,667,677
Oilseed farming	27.2	\$19,813,916

The farm machinery and equipment manufacturing sector directly contributes approximately **\$96.9 million** to the Franklin County economy. The table below also shows the amount of revenue that is generated in other industries by having a strong agriculture industry.

Top Ten Agriculture, Food, and Food Processing Sectors by Output		
Sector	Total Employment	Total Output
Farm machinery and equipment manufacturing	169.6	\$96,937,483
Dairy cattle and milk production	140.6	\$50,149,828
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	650.4	\$50,143,137
Oilseed farming	27.2	\$19,813,916
Grain farming	55.6	\$13,573,522
Wholesale trade	37.8	\$8,314,146
All other crop farming	145.5	\$7,279,677
Landscape and horticultural services	136.1	\$5,349,527
Owner-occupied dwellings	0.0	\$4,368,806
Truck transportation	21.8	\$4,341,921

Below is a summary of all agriculture data with employment levels and output level. These values can tell how many jobs are represented by each agriculture, food, and food processing sector and the output they contributed to the Franklin County economy.

<b>All Agriculture, Food, and Food Processing Sectors</b>		
<b>Sector</b>	<b>Total Employment</b>	<b>Total Output</b>
Oilseed farming	27.2	\$19,813,915.25
Grain farming	55.6	\$13,573,521.61
Vegetable and melon farming	0.2	\$36,723.31
Fruit farming	3.5	\$321,509.33
Tree nut farming	0.02	\$3,572.86
Greenhouse, nursery, and floriculture production	5.0	\$758,545.40
All other crop farming	145.5	\$7,279,676.91
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	650.4	\$50,143,135.07
Dairy cattle and milk production	140.6	\$50,149,826.05
Poultry and egg production	0.5	\$345,383.29
Animal production, except cattle and poultry and eggs	29.2	\$2,667,676.69
Commercial logging	2.0	\$160,198.85
Bread and bakery product, except frozen, manufacturing	11.4	\$1,271,961.81
Frozen cakes and other pastries manufacturing	0.7	\$101,631.26
Farm machinery and equipment manufacturing	169.6	\$96,937,484.74
Veterinary services	31.8	\$3,190,549.14
Landscape and horticultural services	136.1	\$5,349,526.41

All 105 counties in Kansas have an IMPLAN model and an agriculture, food, and food processing contribution summary. These values do not factor in the retail environment of food sales. Food retail is important, but in order to provide the most accurate picture of what production agricultural and processing contributes to Franklin County, the retail sector was omitted.